

Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 14199 091459Z

43

ACTION EA-09

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 INT-05

FEAE-00 SS-15 NSC-05 PRS-01 STR-04 /107 W

----- 042308

R 091448Z SEP 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 5300

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USDEL MTN GENEVA

USMISSION OECD PARIS

AMEMBASSY TOKYO

LIMITED OFFICIAL USE LONDON 14199

E.O.11652: N/A

TAGS: ETRD, UK, JA, EC

SUBJECT: JAPAN TO LIMIT SPECIALTY STEEL EXPORTS TO UK

1. WE HAVE LEARNED FROM DEPT. OF TRADE ASSISTANT SECRETARY ROBERTS THAT THE COMMISSION AND UK HAVE JOINTLY REACHED AN "UNDERSTANDING" WITH THE GOVERNMENT OF JAPAN TO LIMIT SHIPMENTS OF SPECIALTY STEEL TO BRITAIN. JAPANESE ASSURANCES ON BOTH PRICE AND QUANTITY OF SPECIALTY STEEL EXPORTS (STAINLESS STEEL BARS, HIGH-SPEED STEEL AND TOOL) ARE CONSIDERED GENERALLY "SATISFACTORY" BY UKG.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 14199 091459Z

2. PRICES -- JAPANESE OFFICIALS SAID SPECIALTY STEEL PRICES TO UK SHOULD INCREASE ABOUT 20 PERCENT FOR SEPT./OCT. TOTALS AS COMPARED TO FEB./MARCH OF THIS YEAR. THIS WILL BE DUE TO POUND/YEN EXCHANGE RATE ADJUSTMENTS BEGINNING ABOUT EIGHT MONTHS AGO WORKING THEIR WAY THROUGH THE NORMAL LAG PERIOD BETWEEN CONTRACT AND DELIVERY DATES. ADDITIONAL JAPANESE PRICE INCREASES ARE EXPECTED LATER, FURTHER NARROWING THE COST GAP WITH COMPARABLE UK PRODUCTS. ROBERTS CONSIDERS THIS DEVELOPMENT "A SUBSTANTIAL MOVE TOWARD A SATISFACTORY SOLUTION."

3. QUANTITIES -- (A) ON STAINLESS STEEL BARS, IT WAS AGREED NO NEW CONTRACTS WOULD BE SIGNED FOR REMAINDER THIS YEAR BUT THAT ALL PREVIOUSLY SIGNED CONTRACTS WOULD BE HONORED. QUANTITIES FOR FIRST HALF OF 1977 WOULD BE BELOW FIRST HALF 1976. (B) ON HIGH-SPEED AND TOOL STEEL, IT WAS AGREED TOTAL JAPANESE EXPORTS TO UK IN 1976 WOULD NOT EXCEED 1975 FIGURES. LEVELS FOR 1977 WILL NOT BE "SIGNIFICANTLY HIGHER" THAN 1976.

4. THERE HAS BEEN SOME PRESS SPECULATION ON DETAILS OF THE UNDERSTANDING IN TODAY'S (SEPT. 9) EUROPEAN PAPERS -- MUCH OF WHICH ROBERTS LABELS "INACCURATE." DEPT. OF TRADE EXPECTS TO MAKE PUBLIC ANNOUNCEMENT TODAY OR TOMORROW, AT WHICH TIME FURTHER DETAILS WILL BE AVAILABLE.

ARMSTRONG

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, EXPORTS, IMPORTS, STEELS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LONDON14199
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760341-0184
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760978/aaaacouw.tel
Line Count: 89
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 05 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2004 by BoyleJA>; APPROVED <11 AUG 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JAPAN TO LIMIT SPECIALTY STEEL EXPORTS TO UK
TAGS: ETRD, UK, JA, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006